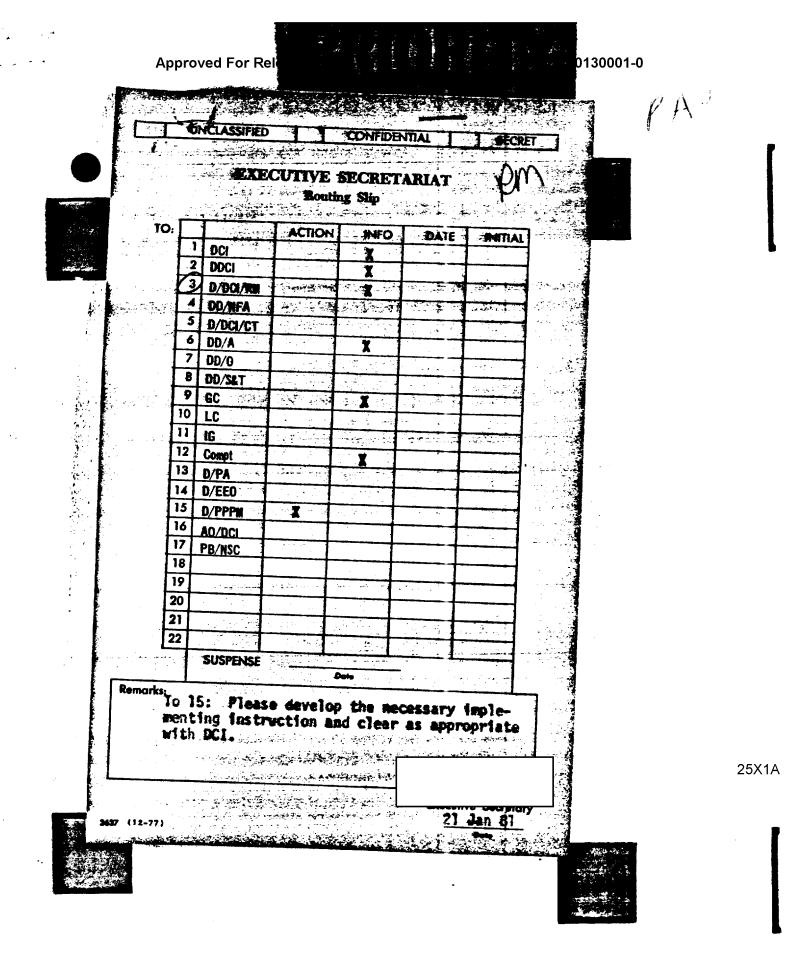
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PAO Routing Slip

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THE WHITE HOUSE

WASHINGTON January 20, 1981

Executive Registry

MEMORANDUM FOR THE HEADS OF EXECUTIVE DEPARTMENTS
AND AGENCIES

SUBJECT:

HIRING FREEZE

I am ordering today a strict freeze on the hiring of Federal civilian employees to be applied across the board in the executive branch.

This action is necessary because the national budget is out of control. Estimates of Federal spending for fiscal years 1981 and 1982 have — in a single year — increased by \$100 billion.

Last July, during my campaign for the Presidency, I pledged that we would take this action as a first step towards controlling the growth and size of government and stopping the drain on the economy by the public sector.

Imposing a freeze now can eventually lead to a significant reduction in the size of the Federal work force. This begins the process of restoring our economic strength and returning the Nation to prosperity.

The Director of the Office of Management and Budget will issue detailed instructions concerning this freeze. I am delegating to him authority to grant exemptions in those rare and unusual circumstances where exemptions are necessary for the delivery of essential services.

I ask that in carrying out this directive you insure the smallest impact possible on those areas of your agencies' operations that vitally affect the public, such as the processing of social security claims and the payment of veterans and retirement benefits. You should seek efficient use of personnel and funds by making reallocations within your respective agencies to meet highest priority needs and to assure that essential services are not interrupted.

Obviously, contracting with firms and institutions outside the government to circumvent ν the intent of this directive must not be permitted.

This begins the process of revising and reducing the 1981 and 1982 budgets, a project that will occupy much of our time during the coming weeks and months.

This will be a demanding period for all of us; it is also a time of challenge and an unusual opportunity to serve our Nation well. I am relying upon you for strict implementation of this directive.

Ronald Reagan

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